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Sen. Gilbert introduces legislation to make renewable fuels widely available

LANSING – Legislation designed to promote and make renewable fuels widely available in Michigan has been introduced in the Legislature, said Sen. Jud Gilbert, R-Algonac.

“Renewable fuel is an economical and ecological alternative to regular gasoline, but right now it is not available in enough locations for regular use,” said Gilbert, chair of the Senate Transportation Committee. “By providing tax breaks on the alternative fuels it will encourage more stations owners to sell them and more consumers to use them regularly.”

The goal of the bipartisan, bicameral, six-bill package is to promote and encourage use of E85, a fuel blend that is 85 percent ethanol, and biodiesel, a diesel fuel containing at least 5 percent biodiesel.

The legislation is designed to help spur growth in Michigan’s agriculture industry. Biodiesel is a cleaner burning diesel fuel made from natural renewable sources such as soybean oil. Ethanol is a clean burning high octane fuel primarily produced today from corn kernels.

Senate Bill 1074, sponsored by Gilbert, would provide motor fuel tax exemptions on the purchase of renewable fuels. The tax breaks would be seven cents off the 19-cent motor fuel tax on E85 or three cents off the 15-cent motor fuel tax on diesel fuel containing at least 5 percent biodiesel.

Other legislation in the renewable fuel package will:

- Set strict quality-control standards for biodiesel and hydrogen fuels, and require diesel fuel testing in Michigan.
- Require the state to install a fueling infrastructure at the Lansing state fleet garage and require all state flex fuel vehicles to fill up with E85 and diesel vehicles to use a biodiesel blend;
- Amend the Michigan Renaissance Zone Act by creating 10 new alternative energy targeted renaissance zones.

Although GM and Ford are heavily investing in the production of E85 vehicles, there are only four pumps dispensing the fuel in Michigan, while Minnesota has 198 pumps and Illinois has 104 pumps statewide.

“For Michigan to remain a leader in alternative fuels we need to increase our efforts to promote them, just as our neighboring states have done,” Gilbert said. “These few simple steps will help decrease our foreign oil dependency while promoting our agricultural industry.”

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